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**FORMER BANK LOAN OFFICER PLEADS GUILTY TO FRAUD
AND TAX CHARGES**

CHARLESTON, W.Va. – A former United Bank loan officer pleaded guilty today before U.S. District Judge Irene C. Berger to federal charges in connection with a major bank fraud conspiracy. Roy Leon Cooper, 56, of Hico, W.Va., pleaded guilty to a two-count information charging him with bank fraud and tax evasion.

“When criminals steal from banks by taking out fraudulent loans, it is legitimate borrowers who get hurt,” U.S. Attorney Booth Goodwin said. “Because of the epidemic of mortgage fraud in recent years, it’s harder than it’s been in a very long time for honest home-buyers to get a mortgage. Banks are scared of getting burned again. Of course, when people can’t get mortgage loans, they can’t buy homes. And that cuts straight to the heart of the American dream. That’s why these cases are so vitally important.”

A joint investigation conducted by the Federal Bureau of Investigation and the Internal Revenue Service, Criminal Division, revealed that in November 2005, Cooper aided and abetted a real estate developer in purchasing twenty three undeveloped lots in the Lamplighter Valley subdivision in Lewisburg, W.Va. Court documents revealed that Cooper used his position as a bank loan officer to help co-conspirator and former real estate developer, Donald R. Carter, circumvent United Bank’s lending limits by enlisting Carter’s friends and family to act as “straw buyers” and sign construction loan applications in their own name, even though the proceeds were intended to benefit Carter. To ensure approval, several of the loan applications contained false statements regarding the respective straw buyer’s income, assets or net worth. In exchange for allowing Carter to “borrow their credit,” Carter paid the straw buyers \$15,000 per loan, which payments were not disclosed on the loan documents. Carter pleaded guilty last week to charges stemming from his role in the mortgage fraud conspiracy.

Cooper’s involvement in the mortgage fraud scheme led to the approval of 16 construction loans in the Lamplighter Valley subdivision totaling more than \$4 million. Of that amount, Carter drew down approximately \$1.9 million between February and October 2006, but never completed a single home. Cooper was subsequently provided with trips to Las Vegas and the use of a 2005 Toyota Sequoia in exchange for approving the fraudulent construction loans and draws.

In addition, Cooper admitted to making two unauthorized \$50,000 draws from construction loans in order to use the funds for his own benefit to purchase six lots in the Country Roads subdivision in or near Glade Springs, Raleigh County, W.Va.

Cooper also willfully failed to file personal income tax returns for the years 2003, 2004, 2005 and underreported his income in 2006. These sources include items of value received from the real estate developer for his approval of construction loans.

"Mortgage Fraud crimes create a loss of tax revenue, burden lenders with bad loans and neighborhoods with abandoned and deteriorating properties." said Thomas Jankowski, Special Agent in Charge IRS-Criminal Investigation, Pittsburgh Field Office. "IRS will continue to pursue individuals who commit these types of crimes that negatively impact our community and economy."

Both Cooper and Carter are scheduled to be sentenced on May 5, 2011 in Beckley, W.Va.

Handling the prosecution is Assistant United States Attorney Thomas Ryan.

This case is being prosecuted as part of President Obama's Financial Fraud Enforcement Task Force to wage an aggressive, coordinated and proactive effort to investigate and prosecute financial crimes. The task force includes representatives from a broad range of federal agencies, regulatory authorities, inspectors general, and state and local law enforcement who, working together, bring to bear a powerful array of criminal and civil enforcement resources. The task force is working to improve efforts across the federal executive branch, and with state and local partners, to investigate and prosecute significant financial crimes, ensure just and effective punishment for those who perpetrate financial crimes, combat discrimination in the lending and financial markets, and recover proceeds for victims of financial crimes.

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